



Memorandum

To: Honorable Mayor Maso and Members of the Frisco City Council

cc: George Purefoy, City Manager
Ron Patterson, Assistant City Manager
Elizabeth Metting, P.E., Assistant Director / City Engineer
Jason Brodigan, P.E., Senior Civil Engineer

From: Arthur Hartle, P.E., Senior Civil Engineer

Date: February 17, 2009

Subject: Consider and act upon authorization for the City Manager to execute Change Order Number 4 to the Standard Form Agreement for Construction Services by and between the City of Frisco and S. J. Louis Construction of Texas, Ltd. and a Warranty Agreement by and between the City of Frisco and Hanson Pressure Pipe, Inc. both of which are related to the construction of the Rolater Road 42-inch Water Transmission Main (Preston Road to Coit Road) (Engineering/AH)

Action Requested: City Council consideration and approval of authorization for the City Manager to execute Change Order Number 4 to the Standard Form Agreement for Construction Services by and between the City of Frisco and S. J. Louis Construction of Texas, Ltd. in the amount of zero dollars and a Warranty Agreement both of which are related to the construction of Rolater Road 42-inch Water Transmission Main (Preston Road to Coit Road).

Background Information: This change order allows the specification for the steel used to manufacture the pipe to be modified at no change in cost to the City in exchange for the manufacturer's provision of an extended warranty.

Bids were opened on November 6, 2007 and the City Council awarded the contract for the construction of Rolater Road 42-inch Water Transmission Main (Preston Road to Coit Road) to S. J. Louis Construction of Texas, Ltd. at the December 4, 2007 City Council meeting in the amount of \$4,123,741.34. This contract was for the construction of approximately 11,000 lineal feet of a 42-inch steel water pipeline from Preston Road to Coit Road along Rolater Road.

Change Order Number 1 was for the adjustment of pipe and steel casing quantities for a tunnel crossing of Preston Road to comply with the Texas Department of Transportation and a change of butterfly valve bid quantities. Change Order Number 1 resulted in a reduction of \$15,884.00 to the contract amount, resulting in a total contract cost of \$4,107,857.34.

Change Order Number 2 added approximately 1,900 lineal feet of 12-inch and 24-inch water line along the west side of Preston Road from John Wesley Drive to Hickory Street to expedite water line construction across properties with imminent construction. Change Order Number 2 added \$694,375.31 to the contract amount for a total of \$4,802,232.65 and extended the contract time by 30 calendar days for a contract completion date of March 16, 2009.

Change Order Number 3 adjusted the construction contract quantities for changes in construction that were required to meet field conditions; to make a quality finished project for various reasons as noted in the change order; and for deletion of the installation of that portion of the 24-inch water line along Preston Road located north of the First United Methodist Church. Change Order Number 3 increased the contract amount by \$147,362.00 for a total of 4,949,594.65 and extended the contract time by 60 days. The completion date for construction according to Change Order Number 3 is May 15, 2009.

Change Order Number 4 documents the changes in the steel pipe material specifications. This was a change from Structural Steel, Type SS, to High Strength Low Alloy, Type HSLA steel. Other changes were made in the welding and test procedures because extra steel was not available for samples and testing after all of the pipe had been fabricated.

The City agreed to accept the pipe supplied if the manufacturer would extend the warranty time. Instead of the typical 2 year warranty, the City will receive a 20 year warranty. This agreement also allowed the project to continue with only a minor delay and avoided potential litigation.

Alternatives: The City Council could consider the following alternatives:

- City Council approval to authorize the City Manager to execute Change Order Number 4 to the Standard Form Agreement for Construction Services by and between the City of Frisco and S. J. Louis Construction of Texas, Ltd. and to execute a Warranty Agreement between the City of Frisco and Hanson Pressure Pipe, Inc.;
- Input towards the discussion as desired;
- Deny approval to authorize the City Manager to execute Change Order Number 4 and the Warranty Agreement and send back to staff with direction.

Financial Considerations: Execution of Change Order Number 4 has no cost and does not affect the total cost of the Construction Contract amount of \$4,949,594.65.

Legal Review: The City Attorney has reviewed the Warranty Agreement.

Supporting Documents:

- Location Map of Rolater Road 42" Water Line
- Copy of Change Order Number 4
- Copy of Warranty Agreement

Staff Recommendation: Staff recommends authorization for the City Manager to execute Change Order Number 4 to the Standard Form of Agreement for Construction Services by and between the City of Frisco and S. J. Louis Construction of Texas, Ltd. in the amount of \$-0- and to execute the Warranty Agreement by and between the City of Frisco and Hanson Pressure Pipe, Inc. both of which are related to the construction of Rolater Road 42-inch Water Transmission Main (Preston Road to Coit Road). Staff will be present at the Council meeting to address any questions the City Council may have relating to this agenda item.